DATE: 5/10/16

TO: PORTLAND HOUSING CENTER

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SUBJECT: DRAFT HOUSING AFFORDABILITY TOOL TEXT

Please try to keep text to about 200 words per map

**Home ownership Affordability**

Much of the region, especially neighborhoods closer to Portland’s city center, has become increasingly less affordable for middle-income home buyers since 2012. four

The 2000 to 2015 period shows two full housing cycles; while housing became more affordable from 2000 to 2004, by 2007 affordable home ownership had become more challenging that it is today given relatively high interest rates. By 2011 at the bottom of the recession, housing once again trended towards being more affordable. If these trends continue at their current rates it is likely housing will become only more unaffordable again by 2020.

**Displacement Vulnerability**

Between 1990 and 2014, a larger share of the Portland metro area’s population has the characteristics that suggest that they are vulnerable to displacement from their neighborhoods because of changing housing market dynamics. And, the households with those characteristics are increasingly concentrated at the edges of the region, rather than in its center. Consistent with the City of Portland’s Gentrification and Displacement Study methodology, vulnerable populations are defined as: households renting versus owning, belonging to communities of color, not having a college degree, and being lower income. Census tracts with three or four of the risk factors are considered at risk for housing displacement. Over the period, displacement vulnerability scores fluctuated as demographics shifted. Many of the East Portland neighborhoods which were vulnerable to displacement in the 1990s have since become less vulnerable as housing prices rose and lower-income residents moved farther away from city center. This change is particularly dramatic in inner Northeast Portland, which was a vulnerable area in the 1990s and by 2020 is projected to have zero to one factors of displacement vulnerability.

**Housing Tenure**

Homeownership is the single largest asset most households own and a key strategy for household wealth building. In addition to the economic benefits of homeownership, homeowners also experience greater housing stability, increased civic participation, and improved educational outcomes for children. The map to the left shows the percentage of households who own their own home, with the darkest areas having the highest homeownership rates. Homeownership rates are projected to decrease across much of the region by 2020, especially in neighborhoods closer to Portland’s city center.